#### <u>REMARKS</u>

Claims 1-36 remain pending in the application. Claims 1, 24, 28, 32 and 33 have been amended. Support for the foregoing amendments may be found throughout the specification, drawings and claims, as originally filed. The Examiner is respectfully requested to reconsider and withdraw the rejection(s) in view of the amendments and remarks contained herein.

### TELEPHONE INTERVIEW

Applicant would like to thank the Examiner for the courtesies extended to applicant's representative during a telephone interview on June 25, 2004. During that interview, the Examiner indicated that the claims as amended herein would define patentable subject matter over the relied upon reference (U.S. Patent No. 5,710,818 to Yamato), but that an updated search would be conducted.

# ALLOWABLE SUBJECT MATTER

The Examiner has allowed claims 17-23 and has stated that Claims 7, 8, 12, 16, 30 and 31 would be allowable if rewritten in independent form. Applicant respectfully acknowledges the Examiner's indication of the allowable claims, but elects to defer rewriting the objected to claims until the Examiner has fully considered Applicant's amendments and arguments set forth herein.

## REJECTION UNDER 35 U.S.C. § 102

Claims 1-6, 9, 24-29, and 32-36 stand rejected under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent No. 5,710,818 (Yamato). This rejection is respectfully traversed.

Yamato is directed generally to a technique for correcting the asymmetry of sound fields that will occur in an automotive sound environment. The signal processing unit 14 relied upon by the Examiner is concerned with crosstalk between right and left speaker channels. In particular, the crosstalk generating unit C1 employs a phase unit PL, PR in each of the channels as shown in Figure 4. Yamato does not teach or suggest a digital signal processing technique that provides an optimum stereophonic localization by introducing a rapid rate-of-change of phase shift into only one of two stereo channels.

In contrast, Applicant's invention is directed generally to a digital signal processing technique that provides optimum image localization and spatial enhancement symmetrically in an automotive listening environment. Applicant recognized that a rapid rate-of-change of the interaural phase difference occurs at both the right and left side of an automotive listening environment. This anomaly may be characterized as an abrupt, non-linear phase shift. To address this concern, Applicant's claimed invention introduces a rapid rate-of-change of phase shift into only one of the stereo channels. Independent Claims 1, 24 and 33 have been amended to more clearly define this aspect of the invention. Therefore, it is respectfully submitted that Claims 1, 24 and 33, along with claims depending therefrom, defines patentable subject matter

over Yamato. Accordingly, Applicant respectfully requests reconsideration and withdrawal of this rejection.

## REJECTION UNDER 35 U.S.C. § 103

Claims 10-11 and 13-15 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Yamato in view of U.S. Patent No. 4,817,162 (Kihara). This rejection is respectfully traversed, particularly in view of the foregoing amendments and remarks. Applicant respectfully requests that the Examiner reconsider and withdraw this rejection.

#### CONCLUSION

It is believed that all of the stated grounds of rejection have been properly traversed, accommodated, or rendered moot. Applicant therefore respectfully requests that the Examiner reconsider and withdraw all presently outstanding rejections. It is believed that a full and complete response has been made to the outstanding Office Action, and as such, the present application is in condition for allowance. Thus, prompt and favorable consideration of this amendment is respectfully requested.

If the Examiner believes that personal communication will expedite prosecution of this application, the Examiner is invited to telephone the undersigned at (248) 641-1600.

Respectfully submitted,

Dated: August 6, 2004

Ву: \_

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